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Foreign



CROPS AND MARKETS

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UNITED STATES DEPARTMENT OF AGRICULTURE
FOREIGN AGRICULTURAL SERVICE
WASHINGTON 25, D. C.

WORLD AGRICULTURAL ABUNDANCE IN 1955-56 SETS RECORD

Never before has the world enjoyed as great an abundance of agricultural products, according to a study by the Foreign Agricultural Service of the U. S. Department of Agriculture.

The FAS study, entitled "World Agricultural Situation, 1956," shows that the 1955-56 world index of agricultural production, including crops and livestock, is 119 percent of prewar (1935-39). This compares with 117 percent in 1954-55.

Over-all agricultural production in every major world area in 1955-56 is exceeding 1954-55, and for the third consecutive year since prewar world agricultural production is exceeding the rise in world population.

The report deals with supplies of food and other farm products available for consumption until the harvests of 1956-57. It is not an inventory of supplies available as of January 1, 1956, but summarizes supplies of crops already produced or still to be obtained in the early months of the 1956 calendar year, and livestock products produced in calendar 1955. It covers the supply situation both by region and commodity, and appraises production prospects for the years immediately ahead.

Single copies of the "World Agricultural Situation, 1956", an 88-page publication with text, tables, and charts, may be obtained from the Foreign Agricultural Service, Room 5922, U. S. Department of Agriculture, Washington 25, D. C. Phone: REpublic 7-4142, Ext. 2445.

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U. S. EXPORTING MUCH LARGER QUANTITIES OF COARSE GRAINS THIS SEASON

United States exports of coarse grains this year (July 1955-June 1956) will be about as large as exports of wheat, and probably will account for around half of the coarse grains entering world trade.

United States exports of coarse grains in 1955-56 may reach around 8 million short tons. This quantity would be about half of the expected world exports, the general level of which is increasing because of heavier feeding rates in some importing countries, expanding livestock numbers, and other factors. During recent years, United States exports have ranged from 25 to 35 percent of the world total.

World coarse grain exports recovered slowly after World War II but reached the prewar level of around 15 to 16 million tons in 1953-54. There was some decline in 1954-55 as Western Europe, the world's largest coarse grain importer, had more poor-quality wheat to feed than usual. This reduced import requirements for coarse grains accordingly. Exports this season are expected to be well above those of last season.

COARSE GRAINS: U. S. and total world exports, 1934-38 average
and annual 1950-51 -- 1955-56

Year	United States				Total		U.S. as percentage of world
	Corn	Oats	Barley	Grain sorghums	U. S.	World	
	1,000 bushels				Short tons	Short tons	Percent
1934-38 Av.	37,880	4,480	9,707	160	1,370	15,873	9
1950-51.....	118,977	6,745	40,004	78,768	6,605	12,531	53
1951-52.....	84,304	4,605	31,042	72,288	5,203	14,801	35
1952-53.....	126,070	4,110	37,054	11,341	4,803	14,946	32
1953-54.....	111,077	3,444	18,587	8,344	3,845	15,879	24
1954-55.....	81,833	15,426	43,907	35,044	4,572	14,153	32
1955-56 1/.....	66,478	14,859	49,913	42,063	4,474	--	--

1/ July- December - preliminary

Historically, exports of coarse grains account for only a small percentage of our total utilization. A large part of United States production remains on farms where grown. Exports of 8 million tons this season would amount to 4.7 percent of the record 170-million-short-ton supply and 6.2 percent of the 1955 production. (Cont'd., next page.)

Exports of 8 million short tons, however, are more significant when related to the commercial supplies of coarse grains. Unofficial estimates, based on the percentage of crops leaving farms in recent years, indicate that about one-third of the 1955 coarse grain production of 130 million tons has moved or will move off farms where produced. This consists of around 25 to 30 percent of the two major coarse grains, corn and oats, and well over half of the barley and sorghum grain crops. Exports of 8 million short tons would be equivalent to about one-fifth of the expected total coarse grain movement off farms from the 1955 crops. Such exports also would equal about 12 percent of the total 1955-56 "commercial supply", i.e., the off-farm stocks, including Commodity Credit Corporation stocks, carried into the current marketing season, plus the estimated quantities moving into commercial channels from the 1955 crops. The 1955-56 commercial supply may approach 70 million tons.

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GERMAN REPUBLIC TO IMPORT U.S.
AND CANADIAN APPLES, PEARS

Importers in the Republic of Germany have received licenses to import fresh apples and pears from the United States and Canada. The licenses, which amount to \$600,000 for imports from each country, will enable shipments to start February 1. Trade sources indicate few sales have been made to date.

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PHILIPPINE TOBACCO DUTIES
INCREASED 30 PERCENT

The basic import duty on a vast number of commodities, including tobacco, was increased by 30 percent for a 3-year period by Philippine Republic Executive Order 150, effective January 1, 1956. Import duties for stemmed and unstemmed leaf tobacco now amount to about 81 and 60 U.S. cents per pound, respectively. The 30-percent increase also applies to manufactured tobacco products.

TOBACCO IMPORT PERMITS EXPECTED TO BE
GRANTED SHORTLY BY THE PHILIPPINE REPUBLIC

A tobacco deficiency certification has been released by the President of the Philippine Republic to the Central Bank, according to unofficial trade sources. The certification is necessary before tobacco import permits and dollar allocations can be granted by the Philippine Government. The Central Bank is expected to make dollars available shortly for import of 9 million pounds of tobacco, most of which is believed to be held currently in customs in the Philippines.

GERMAN GOVERNMENT AIDS
CIGAR INDUSTRY'S FINANCIAL FLIGHT

The Government of the German Republic has enacted legislation, promulgated on November 17, 1955, amending the Tobacco Taxation Law, to aid the cigar industry in its struggle against rising production costs and fixed retail prices.

The weight limits for cigars in grams per piece graded in retail price classes below 22 pfennigs each were reduced from 3 to 9 percent depending upon the retail price class. The usage of United States wrapper will not be affected by this measure as weight adjustments will be achieved by reducing the amount of filler.

The new amendment provides for an increase in the tax refund to small-scale manual producers. The use of cigar-making machines in the German Republic is forbidden by law although the government is authorized to grant licenses only if the users of machines are prepared to pay certain contributions to a so-called "equalization fund." This fund is used in aiding manufacturers who continue to make cigars manually and amounts to about 2 million Deutsche Marks per year. However, the German Government is preparing new regulations to cover new types of cigar-making machines coming into use. Since October 1955, a new regulation makes the obtaining of a license for the use of cigar machines a mere formality due to the inadequate labor supply.

At present, there is no indication that the German Government will abolish the equalization fund system of support for manufacturers of cigars by hand. A direct consequence of the greater use of machines in the cigar industry would diminish the use of broken leaves, which are supplied in appreciable volume from the United States. Manual cigar makers are also refusing to process broken leaves because their use reduces the earnings of the piecework employees.

An important feature of the recent revision of the German tobacco tax law is a provision that cigar manufacturers may apply for a one-time refund on the tax paid in any two consecutive years between 1949 and 1955. If this refund is granted, however, the manufacturer forfeits until the end of 1964 his right to any future refund. The underlying object of this arrangement is to provide inefficient plants with a certain amount of capital to liquidate their cigar manufacturing operations and to facilitate their start in some other economic endeavor.

The German Republic Government, at the request of the Association of Cigar Manufacturers, is making a survey of the cigar industry to determine to what extent the shift in the cost-price relationship has affected this industry. The Association is confident that the government's findings will result in a reduction of the rate of taxation on cigars. Currently, the excise tax on cigars averages 23 percent of the retail price.

GUATEMALAN CIGARETTE
OUTPUT UP 9 PERCENT

Cigarette output in Guatemala during the first 8 months of 1955 totaled 1,014 million pieces -- up 9.1 percent from the 929 million produced during the corresponding period of 1954. Output of cigarettes during calendar year 1954 totaled 1,673 million pieces as compared with 583 million produced during 1937-41.

DANISH CIGARETTE MANUFACTURERS
REDUCE USINGS OF U.S. BURLEY

Usings of United States Burley tobacco in blended cigarettes by Danish cigarette manufacturers have been reduced substantially. The blending percentage for Burley has been reduced about one-half from the previous 15 to 18 percent, primarily due to relatively high United States prices for low and medium grades, according to a recent report. Burley leaf is being replaced mainly by United States and Rhodesian flue-cured. The United States share in the total Danish tobacco market, however, is expected to continue at about 50 percent.

TAIWAN'S OUTPUT OF TOBACCO
PRODUCTS CONTINUES UPWARD

Output of tobacco products in Taiwan (Formosa) during the first 10 months of 1955 totaled about 19.1 million pounds -- up 12 percent from the 17.1 million pounds produced during the corresponding period of 1954. Output of cigarettes, which account for about 99 percent of total production, has increased approximately 1 billion pieces annually since 1950 and is still not sufficient to meet domestic demand. Production of cigars and pipe tobacco continued upward trends during January-October 1955 from the record lows of 1953 and 1952, respectively.

TAIWAN: Output of tobacco products during January-October 1955,
with comparisons

Year	: Cigarettes	: Cigars	: Pipe	: Estimated
	: Million	: 1,000	: Tobacco	: Total
	: <u>pieces</u>	: <u>pieces</u>	: <u>pounds</u>	: <u>pounds</u>
1935-39 Av.	1,224	598	2,055	4,752
1947-51 Av.	3,689	348	506	8,625
1953	8,383	162	134	18,578
1954	9,408	261	229	20,929
January-October				
1954	7,668	220	181	17,053
1955	8,600	238	207	19,129

AUSTRALIAN OUTPUT OF TOBACCO PRODUCTS CONTINUED RISE

Australian output of tobacco products during fiscal 1954-55 is estimated at 43.6 million pounds, which would be almost double that of prewar. Cigarette output, however, has more than tripled prewar production and now comprises 51.3 percent of total production in contrast to 28.0 percent during 1935-39. Production of smoking tobacco and tobacco for roll-your-own cigarettes continued an upward trend through fiscal 1953-54, but declined 10 percent during fiscal 1954-55, when larger cigarette supplies became available. Prior to fiscal 1954-55, the output of smoking tobacco exceeded cigarette output. Output of cigars is increasing from the 1952-53 low, but is still below the immediate post-war and prewar annual averages.

AUSTRALIA: Output of tobacco products, with comparisons

Fiscal year beginning April 1	Cigarettes	Cigars	Smoking tobacco 1/	Total
	1,000	1,000	1,000	1,000
	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>
1935-39 Av.	6,260	249	15,829	22,338
1947-51 Av.	10,190	164	20,061	30,415
1952	13,879	129	22,334	36,342
1953	18,303	143	23,400	41,846
1954 2/	22,379	150	21,060	43,589

1/ Includes chewing tobacco and snuff.

2/ Preliminary.

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PHILIPPINE REPUBLIC HARVESTS RECORD RICE CROP

The 1955-56 rice harvest of the Philippine Republic is estimated at 7,153 million pounds of rough rice, according to the December 1 forecast of the Philippine Department of Agriculture and Natural Resources. This exceeds the preceding year's record of 7,061 million pounds, and compares with 4,872 million pounds in the 1945-46/49-50 post-war average period.

Rice acreage to be harvested is forecast at 6,725,000 acres, an increase of 2.5 percent over harvested acreage in 1954-55. Average yields per acre are slightly less than in the year before because of typhoons, drought, and insect and rodent damage.

Production in the Central Luzon region, the largest rice-producing area, shows a substantial increase as compared with the September 1 forecast, and is 1.2 percent larger than in 1954-55.

EGYPT TO EXPAND WHEAT AREA;
GOVERNMENT SUPPORTS PRODUCER PRICE

In accordance with a policy of bringing about as large a measure of self-sufficiency in foodstuffs as possible, the Egyptian Government this year (1955-56) is again requiring farmers to plant not less than a specified percentage of crop land to wheat. The minimum or compulsory area for the 1956 harvest, which takes place next May-June, is 33-1/3 percent of the crop area of each farmer. The only exceptions are in areas where commercial fruits and vegetables are predominant crops (mostly around the cities) and in areas where flax is grown. In addition to making the country more self-sufficient for wheat, the Government hopes that its compulsory wheat acreage law will facilitate a reduction in cotton production and in the large amount of cotton now in storage.

Last year (1954-55), when compulsory wheat acreages for the first time in several years were not in effect, production declined by 16 percent compared with 1953-54. On the other hand, cotton acreage increased. At the same time, cotton exports, which the Government had expected to use in payment of the country's wheat import requirements, declined because of the world cotton price situation. As a result, Egypt this year is confronted with a wheat shortage and with little or no foreign exchange that can be spared for needed imports.

Penalties for non-compliance with the minimum wheat acreage law are severe. Every field in the country has been carefully measured and mapped, and checking for compliance is expected to be relatively simple. However, the compulsory sowing law is not expected to result in a wheat area for the 1956 crop (harvested in late May and early June) of much more than 1,700,000 feddans (1.8 million acres), which is one-third of the non-exempted crop area, compared with the 1,523,000 feddans (1.6 million acres) under wheat in 1954-55. The reason advanced for this opinion is the reduction ordered last July in the price at which the Government guarantees to purchase all of the home-grown grain offered to it by farmers.

The Egyptian Government has exercised control over the distribution of wheat supplies since the end of World War II. Most of the available supplies are consumed in the cities. The principal grains consumed in the rural areas are corn, millet, and rice. The Egyptian Ministry of Supply buys the bulk of the wheat moving from farms to mills. The wheat is purchased at prices fixed by the Government. Whatever additional quantities are needed to meet domestic requirements are imported by the Ministry of Supply. The home-grown wheat purchased by the Government and its imports from abroad are stored in the principal towns and cities, and sales are made to the mills as needed.

In July, 1955, the Government purchase price for wheat was reduced from L. E. 4.50 to L. E. 4.00 per ardeb (\$2.34 to \$2.08 per bushel) for Hindi (hard) varieties, and from L.E. 4.30 to L.E. 3.80 per ardeb (\$2.24 to \$1.98 per bushel) for Baladi (soft) varieties. While the Government is ready to buy any amount of home-grown wheat offered at these prices, it sells to mills in Cairo at L.E. 5.985 per ardeb (\$3.12 per bushel) with variations up and down for sales in other parts of the country.

Wheat flour prices are currently fixed at 4.5 piasters per kilogram (\$5.86 per 100 pounds) for both 72- and 82-percent extraction, and at 3.2 piasters per kilogram (\$4.17 per 100 pounds) for flour of 93 percent extraction.

The country's total 1955-56 (July-June) wheat requirements have been estimated by the Ministry of Supply at 13,400,000 ardebs (73.9 million bushels). Against these requirements there existed the July 1, 1955, carryin of 1,800,000 ardebs (10.0 million bushels) and the 1955 crop, harvested in May-June, of 9,677,000 ardebs (53.3 million bushels). This gave a total supply of 11,477,000 ardebs (63.3 million bushels), or approximately 10.6 million bushels short of estimated consumption needs without allowance for year-end stocks. The shortage will have to be made up by imports.

During 1954-55 (July-June), Egypt's wheat and flour imports amounted to a total of 57,925 metric tons (2.1 million bushels). Of that total 9,590 tons consisted of wheat and 48,335 tons (grain equivalent) of flour. All of the wheat came from the United States, but France supplied close to 90 percent of the flour. Imports of flour from the United States last year amounted to only 5,532 tons grain equivalent and from Canada to 1,116 tons. Because of the cotton stocks situation in Egypt, the Government has indicated that it will give strong preference to wheat imports from countries willing to accept Egyptian cotton, cotton yarn, and cotton textiles in exchange; and to imports from countries willing to take payment in Egyptian currency.

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INDIA ANNOUNCES SUPPORT PRICE FOR ROUGH RICE

The Government of India has announced a minimum price for rough rice at 6 rupees 14 annas per maund (\$1.75 per 100 pounds), and has authorized the State Governments of paddy-growing areas that they may purchase paddy from cultivators at railheads at this price. In August 1955, as a price-support measure, the State Governments were permitted to purchase coarse milled rice at selected railhead markets if the prices of that quality declined below 11 rupees per maund (\$2.81 per 100 pounds). The Central Government provides the necessary funds to the State Governments to make these purchases and also to meet the cost of storage, administration, and other relevant expenses.

ITALY SELLS RICE TO INDONESIA

Italy and Indonesia reportedly reached an agreement in December on the sale of 50,000 metric tons (1 metric ton = 2,204.6 pounds) of Italian rice. Deliveries to Indonesia of a commercial grade, with 25 percent broken, are to be made from December through February.

Negotiations are underway between Italy and Japan to export 60,000 metric tons of rice to Japan. These two sales should account for a significant amount of the exportable surplus from the 1955 crop.

MEXICAN SEED SITUATION

There is increased interest on the part of Mexican growers in new and improved varieties of all types of seeds. Several organizations from the United States are utilizing the favorable climatic conditions found in Mexico for accelerating the development and expansion of stocks of hybrid grain sorghum seed and for pea seed. If these operations are successful, as expected, the scope of this type of activity will increase during 1956.

MEXICO: Seed Imports, 1951-54
calendar year

Seed varieties, and bulbs, tubers	1951	1952	1953	1954
	1,000 pounds, gross weight			
Alfalfa.....	1,180	983	1,696	1,906
Pasture grass.....	250	396	344	291
Beet.....	44	62	94	54
Tomato.....	119	23	16	30
Seed potato.....	1/	1/	11,918	7,420
Other agricultural.....	1,819	1,400	1,330	2,528
Horticultural.....	167	178	155	168
Floricultural.....	12	12	13	15
Bulbs.....	394	302	267	185
Tubers.....	30	45	10	2/

1/ Not available. 2/ Less than 500 pounds.

Although production of alfalfa seed has increased considerably during recent years, it is not sufficient to meet domestic demand -- and imports have continued to expand. The Guinea grass production area in Veracruz suffered serious losses from storms during the fall. Production of flower and vegetable seeds has increased. Large quantities of small bulbs are imported from Europe and grown for one year in Mexico. The resulting large bulbs are exported.

MEXICO: Seed exports, 1951-54
calendar year

Seed varieties, and bulbs	1951	1952	1953	1954
	1,000 pounds, gross weight			
Agricultural.....	615	90	81	2
Flor. and hort.	1	11	3	29
Tree.....	37	<u>1</u> /	<u>1</u> /	3
Bulbs.....	216	12	88	74
<u>1/</u> Less than 500 pounds.				

THAILAND RICE EXPORTS
DECLINE IN OCTOBER AND NOVEMBER

Rice exports from Thailand in October and November 1955 declined from the previous monthly average. November loadings of 61,305 metric tons (1 metric ton equals 2,204.6 pounds) of rice and 2,832 tons of rice flour were the lightest since January 1955. Exports during January-November 1955 amounted to 1,126,299 metric tons of rice and 93,579 metric tons of rice flour. Practically all export availability from the 1954-55 and preceding rice crops had been shipped by the end of December. (Cont'd., next page.)

THAILAND: Rice exports, by month, January-November 1955

Month	Amount	Month	Amount
	Metric tons		Metric tons
January.....	44,620	July.....	98,643
February.....	113,520	August.....	102,688
March.....	162,794	September.....	84,835
April.....	137,166	October.....	69,051
May.....	122,887	November.....	61,305
June.....	128,790	January-November.....	1,126,299

Compiled from official source.

The outlook for the 1955-56 rice crop is good. Thailand is expected to have an exportable surplus for 1956 of about 1,400,000 metric tons. Harvesting of the new crop was delayed somewhat by late rains.

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RICE PRICES DECLINE IN JAPAN

The price of unrationed rice in Japan declined sharply in mid-November when supplies from a record rice harvest were assured. This followed a gradual monthly decline from the 1955 peak level of July. In Tokyo, the November price of 12.4 cents per pound compared with 14.1 cents a pound in October, and with 16 cents a pound in July 1955. The November 1954 average price in Tokyo was 13.6 cents a pound.

The Government official ration price is 9.6 cents per pound. It has been reported that in some rice-producing areas, the price of unrationed rice has dropped below the official ration price.

JAPAN: Retail price of unrationed milled rice, by month,
Tokyo and national average, 1953-55

Month	Tokyo			National average		
	1953	1954	1955	1953	1954	1955
	--- Cents per pound ---					
January.....	12.3	18.8	13.4	10.7	13.8	12.0
February.....	12.3	17.7	13.4	11.0	13.4	12.1
March.....	12.2	17.9	13.4	11.1	13.5	12.2
April.....	12.3	17.7	13.2	11.1	13.7	12.3
May.....	12.6	17.1	13.3	11.5	13.7	12.5
June.....	17.6	16.6	14.9	12.2	14.0	13.1
July.....	18.0	16.6	16.0	13.6	14.2	13.7
August.....	18.0	15.5	14.7	13.8	14.1	13.3
September.....	20.0	13.9	14.3	14.0	13.7	13.0
October.....	26.0	13.7	14.1	15.6	13.0	12.4
November.....	<u>1/</u>	13.6	12.4	<u>1/</u>	12.4	10.6
December.....	<u>1/</u>	13.6	<u>1/</u>	<u>1/</u>	11.8	<u>1/</u>

Compiled from official sources.

1/ Not available.

INCREASED SUGAR PRODUCTION FORECAST FOR ITALY

Annual production of sugar beets in Italy continues to climb. A provisional estimate for 1955 is that 7.4 million short tons of beets will be harvested from approximately 590 thousand acres. This compares with a harvested area of 553 thousand acres in 1954 from which 7,263 thousand short tons of beets were obtained. Refined sugar production in 1954 was 968 thousand short tons, raw equivalent, compared to an estimated 1955 output of 1,065 thousand short tons.

Refined sugar production is expanding at a substantially greater rate than is the population. The prewar per capita consumption of sugar in Italy amounted to 15.4 pounds annually, climbed to 22.0 pounds in 1949, to 33.1 in 1953, and likely above 39.7 pounds in 1955. Italy appears to be fast catching up to such other countries as France and Germany in spite of a very great difference that existed before World War II.

In the total supply picture, imports occupy a place of only minor significance. Net imports in 1954 were about 30 thousand short tons and will probably be even less in 1955 because of the record domestic output. Small quantities of molasses continue to arrive from Cuba.

Although the center of the sugar beet industry remains in the central and lower Po Valley, new areas of production have been created in middle and southern Italy during recent years. Of increasing importance is the Metaponto region in Apulia, as well as Calabria and Sicily. Within a short time new refineries in these areas will provide crushing facilities. This in turn will encourage farmers to plant this important cash crop.

Sugar prices remain relatively high due to the heavy (7 cents per pound) manufacturing tax applied to the semi-official wholesale sugar price of 10 cents per pound. Processors, citing generally increased costs of labor, machinery, and worker-welfare taxes, have been pressing for higher retail prices for sugar whenever an annual decision is taken by the Interministerial Committee on Prices, and by technicians of the National Association of Sugar, Alcohol, and Yeast producers association. Such an increase could be granted without a corresponding adjustment in prices to the consumer if the Government were willing to reduce its tax by an equivalent amount. But it does not seem likely that such a course will be taken.

(Cont'd., next page.)

In spite of the high retail cost of sugar to the consumer, demand is strong, and domestic consumption is expected to rise several more years--although at a diminishing annual rate of increase. Beet production in 1956 may reach 7,550 thousand short tons, and refined sugar 1,133 thousand. Adverse weather could change this outlook sharply, but under normal climatic conditions Italy will probably be able to meet next year's increased domestic demand with only limited imports.

ITALY: Sugar production--acreage harvested, production of beets and sugar, averages 1935-39 and 1945-49, annual 1950-55, and forecast, 1956

Crop year	Area harvested 1,000 acres	Production	
		Beets 1,000 short tons	Sugar, raw value 1,000 short tons
1935-39	312	3,422	414
1945-49	231	2,640	331
1950	429	4,925	699
1951	490	6,571	325
1952	549	6,507	820
1953	520	6,868	861
1954	553	7,263	968
1955 <u>1</u> /.....	590	7,385	1,065
1956 <u>2</u> /.....	-	7,550	1,133

1/ Preliminary. 2/ Forecast.

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MILK SUBSTITUTE FROM PEANUTS REPORTED BY INDIAN RESEARCHERS

A milk substitute can be made from peanuts, say researchers of the Central Food Technical Research Institute at Mysore, India. And they add that the substitute can be fortified with calcium in a colloid at 100 mg. to each 100 cc. of milk substitute.

The milk substitute is said to be about 80 percent as efficient as reconstituted whole milk in over-all dietary effect. The fortified peanut milk substitute offers a practical way of improving Indian diets, which are generally deficient in calcium.

SWISS DAIRY PRODUCTION,
FIRST THREE QUARTERS, 1955

Swiss milk production was increasing in the autumn of 1955, and total production for the year was expected to equal or slightly exceed that of 1954. During the first nine months, however, production lagged behind the previous year and deliveries of commercial milk were 1.6 percent under the 33.8 million pounds delivered during the same period in 1954.

Switzerland prefers to import butter and export cheese; and the usual pattern of surplus milk utilization shows more milk going into the manufacture of cheese when the market is favorable. A milk utilization comparison during the first nine months of 1955 and 1954 shows milk used for butter to be down 17.1 percent and milk going into cheese manufacture to be up 11.4 percent in the 1955 period.

The above situation seems anomalous in view of the fact that exports of cheese were down 2.5 million pounds and stocks were 20 percent higher on September 30, 1955 than they were a year earlier. However, the production situation is apparently resting on the expectation of increased exports during the last quarter of the year due to the conclusion of the Franco-Swiss trade negotiations in October, (see Foreign Crops and Markets, December 5, 1955).

The following table shows butter and cheese production and exports during the first three quarters of 1954 and 1955.

Item	Production		Exports	
	January - September		January - September	
	1954	1955	1954	1955
	--- 1,000 pounds ---			
Butter.....	52,500	45,437	neg.	neg.
Cheese.....	89,804	99,147	35,172	32,644

Butter imports for the January-September 1955 period totaled 5.2 million pounds, 24 times the 1954 figure, to compensate for decreased domestic production. Cheese imports during the same period in 1955 were 1.1 million pounds over the first nine months of 1954.

CANADA SELLS MORE BUTTER TO EAST GERMANY

The Canadian Government has sold another 2 million pounds of surplus butter to East Germany. This brings the total to nearly 10 million pounds--sold at 37 cents a pound. It is understood that the sales were made through a Dutch importing firm.

ARGENTINA RELEASES NEW BUTTER EXPORT QUOTA

The Argentine government has just released a new quota for 3.3 million pounds of butter for export. Bids, which were to be received by January 1, 1956, were received from France at 41.6 cents a pound; Czechoslovakia at 47.2; and the United Kingdom at 40.0. The English were informed that their bid was not acceptable and it is believed that a new bid was received.

It is reported that the Argentine Government will soon allow a lower minimum price for butter going into export channels. This will allow the exporters a larger margin of profit on free market sales.

CUBA EXTENDS LOW EGG IMPORT
DUTY TO FEBRUARY 15

The Cuban Official Gazette announced on December 30, 1955, that the Government has extended until February 15, 1956, a reduced duty of 6 cents per dozen for fresh eggs weighing not less than 18 ounces per dozen, imported from the United States. This rate of duty had been in effect since December 1, 1955. The regular duty amounts to 20 cents per dozen.

A maximum quota was also established for a 6-week period ending February 15, of 25,000 cases of 30 dozen each. The Ministry of Commerce will issue permits to individual Cuban importers until the quota is exhausted.

SWISS STUDYING CHEESE EXPORT SUBSIDY

The difficulties of selling cheese in the Republic of Germany and East European countries have been under study by the Swiss Federal Council for some time. Sales to these sources have in recent months meant a substantial loss to the Cheese Union. To maintain shipments, the possibility of export subsidies on cheese exported to these countries is under consideration.

The source of funds for subsidy payments might be the "Butyra" profits on imported butter. Another source might be the supplementary duty on imported butter. However, since proceeds from the supplementary duty are paid to the Milk Compensation Fund for subsidy of consumer milk prices, diversion of these funds to an export cheese subsidy would affect consumer prices for fluid milk.

TRADE BARRIERS LIMIT U.S. PORK EXPORTS TO JAMAICA

The United States, a principal supplier of pork to Jamaica in former years, is now supplying only a small part of the market.

Post World War II meat exports to Jamaica reached a peak in 1953. Of the 1.6 million pounds of pork imported by Jamaica in 1953, the United States supplied 1.1 million pounds. Exports from the United States in that year were 969,000 pounds of pickled pork, 101,000 pounds of fresh pork, 27,000 pounds of hams, and 5,000 pounds of bacon.

Exports from the United States were sharply reduced after April 1, 1954, when the Jamaican Department of Agriculture placed an embargo against imports from the United States--ostensibly to prevent introduction of vesicular exanthema. Imports of pork from the United States in 1954 amounted to less than 20,000 pounds. This probably represented only a small portion of Jamaica's pork trade.

GERMAN REPUBLIC STRIVES FOR SELF-SUFFICIENCY IN MEATS

Since the end of World War II, the Republic of Germany has striven to become self-sufficient in meats. Imports have been controlled by strict licensing. Although domestic meat production has been increasing steadily, meat prices are relatively high and per capita consumption has not yet reached prewar levels.

Imports of meat have been closely controlled, both from dollar areas and from other areas of the world. When the government decides to permit imports it publishes an "import announcement" specifying the source of the imports, quality specifications, and delivery dates. License applications are then submitted by importers and, if approved, lead to final contracts. Announcements are usually on an indefinite basis, with the total volume and duration of the program usually not published.

In recent months import announcements have been made at fairly frequent intervals for hog livers, hog kidneys, and beef livers from the United States. This has been a small but increasing trade. United States exports of edible offals to Germany in 1952 totaled only 67,000 pounds but increased to 2,763,000 in 1953, and 7,389,000 in 1954. Exports in the first 10 months of 1955 totaled 10,968,000 pounds. The Republic of Germany has also imported relatively small amounts of canned and other meat products from the United States, moderate amounts of fat back, and large quantities of lard.

Meat imports from other countries have also been closely controlled. Such imports in 1954 totaled around 136 million pounds (carcass weight) compared with 162 million in 1953 and 100 million in 1952. Imports in prewar averaged 156 million pounds a year. (Cont'd., next page.)

The Republic's dollar imports of variety meats (offals) have not been liberalized. Importers must pay substantial premiums to obtain dollars to purchase supplies in the United States. In addition, tariffs and the Equalization Turnover Taxes are applicable for these products and they are subject to rigid inspection by government veterinarians.

CITRUS BYPRODUCT INDUSTRY HAS DEVELOPED RAPIDLY IN ISRAEL

A citrus byproduct industry has developed rapidly in Israel in recent years. Citrus byproducts have become Israel's fourth largest export, following fresh fruit, diamonds, and automobiles, in that order.

Up-to-date factories produce canned and frozen juices (both single-strength and concentrated), canned sections, marmalades, essential oils, and medicinal compounds such as hesperidin and naringin. Hesperidin is a white crystalline non-toxic compound derived from orange and lemon peel. Naringin comes from grapefruit.

In 1955, under a decision of the Central Marketing Organization, all citrus byproducts were marketed under the single trade mark, "Jaffa Gold." This action has been beneficial to new and small industries whose trade marks have not yet acquired a standing in export markets. Assis, the largest and oldest citrus byproduct factory, opposed the innovation of the single trademark and has decided to leave the organization at the beginning of the 1955-56 season. Assis will resume shipments under its established trade mark.

More than three-fourths of Israel's citrus fruit exports are shipped to the United Kingdom. The United States received imports of hesperidin, naringin, and essential oils.

SMALLER FRUIT CROPS EXPECTED IN CHILE

Fruit production in the central and northern zones of Chile in the 1955-56 season is expected to be somewhat lower than last year. The smaller crops can be attributed to unfavorable winter weather and reduced acreage because of low prices for some commodities. Exporters have had difficulty finding markets for their produce because of the unfavorable exchange rate.

COTTON PRODUCTION IN SYRIA
CONTINUES RISE IN 1954-55

Syria's cotton production in the August-July 1954-55 marketing year amounted to 365,000 bales (500 pounds gross), increasing about 65 percent over the 220,000 bales produced in 1953-54, and continuing the sharp upward trend evident throughout the last 10 years. The 1955-56 crop is estimated privately at 415,000 bales.

Syria is making significant progress in cotton production and processing. Production has increased six-fold since 1949-50, and indications are that it will continue to increase at a rather rapid rate. Reported development of large-scale irrigated farming in the Gezira area is expected further to increase the cotton-producing potential. Production trends for the last 11 years are indicated by the following figures:

Cotton production in Syria, 1945-46 to 1955-56
(bales of 500 pounds gross)

1945-46.....	20,000	1951-52.....	225,000
1946-47.....	22,000	1952-53.....	207,000
1947-48.....	25,000	1953-54.....	220,000
1948-49.....	42,000	1954-55.....	365,000
1949-50.....	61,000	1955-56.....	415,000
1950-51.....	138,000		

The Government, through its Cotton Bureau, has encouraged cotton production through extension education in better methods of cultivation, use of improved seed for planting, and more effective means of insect control. Improvements in ginning, grading, classing, and merchandizing for sales abroad are aimed at improvement of the competitive position of Syrian-grown American Upland type cotton on the world market.

Syria's cotton exports during 1954-55 were estimated at 322,000 bales, increasing 75 percent over the 183,000 bales exported in 1953-54. France has been the principal destination of Syrian cotton in past years, and in 1954-55 absorbed almost half (48.5 percent) of total exports. The next two countries in order of volume were Italy (14 percent) and the United Kingdom (13 percent).

Syria's cotton consumption was estimated at 36,000 bales for 1954-55 as compared with 42,000 in 1953-54. Reduced local demand for textiles and increased use of synthetic fiber products were contributing factors to the decline. Cotton stocks on August 1, 1955, were estimated at 14,000 bales, increasing sharply from the 7,000 bales held a year earlier.

SPAIN INCREASES COTTON PRODUCTION AND CONSUMPTION

The 1955-56 cotton crop in Spain is estimated by Government officials at about 150,000 bales (500 pounds gross), representing a 58 percent increase over 1954-55 production of 95,000 bales, and 97 percent greater than the crop of 76,000 bales harvested in 1953-54. Acreage for the 3-year period was 217,000 acres in 1953-54, 267,000 for 1954-55, and is tentatively placed at 435,000 acres for 1955-56.

Most of Spain's cotton crop is of American Upland type. Production of this type is estimated at 125,000 bales for 1955-56. The balance is of Egyptian type, mostly Giza 7. The average quality of both types this year is considered about the same or slightly better than last year. The Upland cotton is Middling or higher in grade, with an average staple length of about 1 inch.

Spain increased its total ginning capacity by 27 gin stands in 1955, in anticipation of a substantially larger crop, but this was not enough to enable ginning to keep pace with the harvest, causing a large backlog of seed cotton to accumulate in storage waiting to be ginned. Most of the gin stands installed this year were of American manufacture.

SPAIN: Imports of cotton from major countries of origin;
annual 1935, 1949-54

Country of origin	(Equivalent bales of 500 pounds gross)						
	Year beginning August 1						
	1935 ^{1/}	1949	1950	1951	1952	1953	1954
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
Argentina.....	21	1	26	3	1	2	0
Brazil.....	0	89	15	9	34	57	78
Egypt.....	109	20	43	56	77	59	44
India & Pakistan...	50	23	55	20	36	15	0
Iran.....	2/	5	8	1	5	8	0
Syria.....	2/	2/	3/	6	6	4	0
Turkey.....	0	1	7	3/	2	2	2
United States ^{4/} ...	255	103	79	237	139	198	206
Other countries....	12	9	3	4	6	3	0
Total.....	447	251	241	386	306	348	330

^{1/} Calendar year. Last available figures prior to Spanish Civil War. ^{2/} If any, included in "Other countries". ^{3/} Less than 500 bales. ^{4/} Includes imports of Mexican cotton.

Source: Agricultural Attaches and other U. S. representatives abroad.

Spain's cotton consumption was estimated at 390,000 bales for 1954-55, increasing 11 percent over the 352,000 bales consumed in 1953-54. Cotton stocks on August 1, 1955, were estimated at 145,000 bales or about 30 percent higher than the 110,000 bales held a year earlier.

Cotton imports by Spain in August-July 1954-55 amounted to 330,000 bales or 5 percent less than imports of 348,000 bales in 1953-54. Principal sources in 1954-55 were the United States, Brazil, and Egypt. Spanish import statistics do not report imports from Mexico separately, but include them with imports from the United States. Imports may be lower this year by the amount of the increase in production because the rate of consumption thus far this year is about equal to that of a year ago. (See table, opposite page.)

PORTUGAL'S COTTON CONSUMPTION CONTINUES UP IN 1954-55

Portugal's cotton consumption of approximately 214,000 bales (500 pounds gross) during the August-July 1954-55 marketing year represented an 11-percent increase over the 193,000 bales consumed in 1953-54 to continue the upward trend registered in cotton consumption in the last several years. This year's increase was not attributed to a stronger market for finished goods, as in past years, but rather to increased output of cheaper grades of cotton piece goods by recently modernized mills. These goods are better able to compete with foreign merchandise in North and Central African markets.

Ex-mill value of goods produced was reportedly somewhat lower in 1955 than in previous years, and the unit values, in the first 7 months of 1955, of exports of yarn and printed cotton piece goods (the principal export category) were down 10 and 4 percent, respectively, from the previous year. These reductions in value were attributed to the lower average quality of goods, as well as to reduced factory margins.

Portugal's principal source of raw cotton in 1954-55 continued to be Mozambique, with smaller quantities from Angola and Brazil. Total imports in August-July 1954-55 amounted to 211,000 bales or 7 percent higher than the 197,000 bales imported in 1953-54. Imports from the various countries in 1954-55 with 1953-54 figures in parentheses were: Mozambique 150,000 bales (156,000); Angola 25,000 (22,000); Brazil 19,000 (14,000); Egypt 3,000 (5,000); and the United States 8,000 (0). Imports from the United States in June-July 1955 were the first in nearly 3 years but are not expected to continue on a regular basis.

Portugal's cotton stocks on August 1, 1955, were estimated at 39,000 bales, down 7 percent from stocks of 42,000 bales held a year earlier.

NICARAGUAN COTTON CROP WILL BE PURCHASED BY NATIONAL BANK

The Government of Nicaragua has announced that the import-export department of the National Bank (Compania Mercantil de Ultramar) has been authorized to buy Nicaraguan cotton (type B-2) at the equivalent of 29 cents (U.S.) per pound f.o.b., and that the Government will make up any possible losses to the Bank. In the event that the Bank is able to sell this cotton abroad at a profit, the profits will be distributed proportionately among farmers who sold cotton to the Bank. Harvesting of the current crop usually begins late in November.

The new plan is designed as a temporary measure to counteract cotton price uncertainties for the Nicaraguan farmer, and prevent speculation with this year's forthcoming cotton harvest.

Current estimates of the 1955-56 crop place production at about 200,000 bales (500 pounds gross), or approximately the same as in 1954-55. Considerable acreage expansion this year has been largely offset by excessive rainfall and by reduced yields in some areas that had been planted to cotton for several successive years with little if any use of fertilizer.

Nicaragua's cotton production has increased from an average of 7,000 bales annually in the first 5 postwar years, 1945-49, to the present level of 200,000 bales. Acreage has expanded from an average of 11,000 acres in 1945-49 to 100,000 acres in 1953-54, 190,000 in 1954-55, and an estimated 250,000 acres for the 1955-56 crop.

Cotton exports from Nicaragua amounted to 117,000 bales in August-July 1954-55 as compared with 102,000 bales exported in 1953-54, and 69,000 bales in 1952-53. Principal destinations of Nicaragua's cotton exports in 1954-55 were Japan, the Republic of Germany, Belgium, the Netherlands, and the United Kingdom--with smaller quantities to Canada, Switzerland, and Sweden.

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IDONESIAN COPRA EXPORTS DOWN ONE-FIFTH

Indonesia's copra exports during October and November 1955 are reported at 20,084 and 16,130 long tons gross weight, respectively. Comparable figures for 1954 were 21,215 and 28,726 tons. During January-November 1955 gross exports totaled 220,991 tons or one-fifth less than the 276,256 tons shipped in the same months of the previous year. Total exports during 1954 amounted to 292,162 tons.

PHILIPPINE COCONUT PRODUCTION AND
EXPORTS EXPECTED TO BE HIGH IN 1956

Philippine coconut production for processing into copra is expected to be high during 1956. Should foreign demand continue at present levels or strengthen slightly, the Philippine Republic might ship some 5 to 10 percent more copra and coconut oil into world markets than in 1955. However, substantial gains in the current year appear remote because production of coconut products already is at a high level.

Almost 815,000 long tons of copra moved from the Islands during 1955. Coconut oil exports amounted to about 74,000 tons, and exports of desiccated coconut approximated 45,000 short tons. In comparison 1954 copra exports amounted to 758,002 tons, oil exports--65,732 tons, and desiccated coconut exports--45,266 tons. (See "Philippine Copra Exports Up In December," next page.)

There recently has been a relatively strong market for Philippine copra in Europe. However, shipping space for bulk cargo such as copra is limited because more European vessels are calling at Chinese ports to load soybeans and other raw materials. Freight rates are considerably higher from Chinese ports to Europe than from the Philippines. During the past year there have been three rate increases on copra from Manila to European ports. Even with the increased rates shippers still find it more attractive to place vessels in China for loading. The consensus is that at least for the first quarter of 1956 the European shipping situation will not improve.

Foreign buyers both in the United States and Europe have commented upon a general improvement of the quality of Philippine copra. One reason for the improvement is the active entrance of the Philippine Coconut Administration (PHILCOA) into the inspection of export copra. A second factor in the betterment of copra quality is a relatively stabilized marketing condition. Farmers have tended to harvest more mature coconuts. There has been little incentive to overcut and process immature nuts.

During 1956 PHILCOA will begin an extensive campaign to organize cooperatives in the coconut producing areas of the Philippines. For the past several months the Agricultural Cooperative Credit Finance Administration (ACCFA) has had a team surveying the coconut area to determine which particular areas should be the location for farmers' cooperatives. In addition ACCFA has sponsored a training seminar for selected PHILCOA field agents so that they might be better versed in the founding and operations of cooperatives.

In the Philippines a cooperative is called a FACOMA. Initially, the FACOMA operation was established in the troubled rice areas of central Luzon. Now that the rice section has been relatively well covered, the next move is to the coconut producing areas. (Cont'd., next page.)

The FACOMA operation in the coconut areas has as its first objective the establishment of proper copra drying facilities. In addition, warehouses will be constructed so that copra may be marketed when prices are considered favorable. A third phase of the program is to establish credit facilities for members.

The FACOMA movement in the Philippines is perhaps the single most important agricultural development occurring at the present time. Of course, it is still too early to make any definite forecasts of the effect of the cooperatives with respect to copra production. But it can be said that the FACOMA operation with respect to ~~rice~~ has already met with reasonable success, and there is reason to believe that similar success will result in the coconut operation.

PHILIPPINE COPRA EXPORTS UP IN DECEMBER

Philippine exports of copra during December totaled 84,884 long tons, according to preliminary data. This is an increase of one-fifth from the previous month and 50 percent more than the volume shipped in December 1954. Total exports for 1955 amounted to 814,645 tons, or 7 percent more than the 758,002 tons exported in 1954.

The breakdown of the December copra exports by country of destination is as follows: United States--32,984 tons (Atlantic-5,628, Gulf-782, Pacific-26,574); Canada--2,200; Belgium--4,00; Denmark--500; Republic of Germany--2,500; the Netherlands--19,200; Norway--1,000; Sweden--5,000; Europe unspecified--8,500; Israel--1,500; Colombia--6,500; and Venezuela--1,000.

December exports of coconut oil amounted to 7,610 tons compared with 5,688 tons in November and 6,361 tons in December 1954. The January-December total was 73,774 tons against 65,732 in 1954. December shipments were as follows: United States--7,310 tons (Atlantic-7,010, Pacific-300); and Cuba 300 tons.

On a copra equivalent basis, exports of copra and coconut oil in 1955 totaled 931,747 tons, or 8 percent more than the 862,339 tons exported in 1954.

The copra export price in mid-January was \$144.00 per short ton, c.i.f. Pacific. Local buying prices in Manila were 24.00 to 26.00 pesos per 100 kilograms (\$121.93 to \$132.09) per long ton.

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EGYPT FREES FRUIT EXPORTS

All fruit can now be exported from Egypt without a permit. Payment must be either in the currency of the importing country or a stronger currency. The primary objective is to stimulate fruit exports.

SECOND WORLD SURVEY CONFIRMS LARGE BARLEY AND OATS CROPS

World production of barley and oats in 1955-56 is estimated at about 140 million short tons, on the basis of the latest information available to the Foreign Agricultural Service. A production of this size would be the largest of record, with barley production at an all-time record and the outturn of oats the largest of the postwar period. The current estimate of the two crops combined is 3 percent above the large 1954-55 harvest and 9 percent above the 1945-49 average.

The world crop of barley and oats is now about evenly divided, on a tonnage basis, whereas in the prewar period oats accounted for a larger proportion of the total, averaging about 55 percent during 1935-39. Production of oats, now estimated at 4,450 million bushels, though somewhat below the record of 4,985 million estimated for 1928, shows a substantial increase over any other postwar year and is 14 percent above the 1945-49 average. The record oats crop in the United States is an important factor in the increase.

World barley production is estimated at 2,875 million bushels, which is a third larger than the small 1945-49 average. Production in 1955 was estimated substantially larger in most producing areas, but the bulk of the increase is in North America and Western Europe.

North America's barley crop is estimated at 650 million bushels, a near record for this area. The near-record crop of 391 million bushels in the United States accounts for 60 percent of the continental total. Canada's crop of 251 million bushels, representing 39 percent of the total, is also a near record, having been exceeded only three times.

Production of oats in North America, as estimated at 1,983 million bushels, is at a near-record level. The United States harvest of 1,576 million bushels sets a new record for oats production in this country and Canada's crop of 403 million is well above average. It is, however, considerably less than the record crop of 641 million bushels in 1942.

Production of these grains in Europe is high because of a substantial increase in barley acreage in Western Europe, together with somewhat above-average yields of barley and oats in most countries of that area. The increase in barley acreage in Western Europe appears to have been at the expense of oats, with a decline in oats acreage there more than offsetting the barley increase.

Barley production in Western Europe for 1955 is estimated at 670 million bushels compared with 413 million, the prewar average. The present area of 17.6 million acres contrasts with the prewar area of 14.1 million acres. Though increases have been widespread, the largest numerical gains are noted for France, the United Kingdom, and Denmark. A sizable decline in Spain's barley acreage offsets gains in countries other than those mentioned above. (See tables, next four pages. Text cont'd., p. 68.)

BARLEY: Acreage, yield per acre, and production in specified countries, year of harvest, averages 1935-39 and 1945-49, annual 1953-55 $\frac{1}{2}$

Continent and country	Acreage 2/			Yield per acre 3/			Production		
	Average			Average			Average		
	1935-39	1945-49	1953	1935-39	1945-49	1953	1935-39	1945-49	1953
NORTH AMERICA									
Canada	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 bushels	1,000 bushels	1,000 bushels
.....	4,291	6,569	8,911	7,856	9,912	20.7	21.5	23.4	25.4
Mexico	374	457	585	593	593	10.6	13.2	13.2	11.6
United States	10,817	10,713	8,586	13,183	14,287	22.1	25.2	28.2	27.4
Estimated total 5/	15,480	17,740	18,080	21,630	24,750	-	-	-	-
EUROPE									
Austria	401	293	373	372	385	32.6	24.3	40.4	39.9
Belgium	74	198	231	188	202	48.2	47.4	58.4	63.2
Denmark	946	1,079	1,537	1,506	1,509	55.9	59.6	65.2	62.4
Finland	280	346	440	435	460	28.2	24.6	34.1	31.7
France	1,897	2,019	2,973	3,043	3,254	27.9	26.0	34.6	37.6
Western Germany	2,005	1,288	1,947	1,812	1,925	5/ 39.4	34.0	48.9	49.6
Greece	525	453	516	516	514	17.8	16.2	22.4	21.7
Ireland	118	147	188	163	210	45.9	55.9	50.1	50.2
Italy	475	603	618	612	603	20.9	15.7	23.2	22.2
Netherlands	107	139	255	156	173	55.5	51.4	56.3	70.2
Norway	143	99	201	224	247	38.2	40.5	47.3	45.9
Portugal	320	322	390	395	395	12.8	11.9	14.4	10.1
Spain	4,549	3,979	3,964	3,986	3,825	2/ 21.3	21.0	24.6	20.1
Sweden	252	226	467	411	526	39.5	36.5	48.1	37.0
Switzerland	13	66	61	51	52	33.1	41.6	47.7	55.2
United Kingdom	934	2,120	2,226	2,063	2,292	3/ 39.2	43.3	52.9	50.8
Yugoslavia	1,045	-	-	-	-	18.0	-	-	-
Estimated total 5/	14,100	14,370	17,440	16,940	17,580	-	-	-	-
Other Europe, estimated total g/	9,210	7,830	8,210	8,270	8,380	-	-	-	-
All Europe, estimated total 5/	23,310	22,200	25,650	25,210	25,960	-	-	-	-
U.S.S.R. (Europe and Asia)	26,600	19,800	-	-	-	16.0	13.7	-	-

ASIA														
Iran	6/ 1,545	1,687	1,977	1,975	-	6/ 23.1	22.0	19.1	19.2	-	6/ 35,728	37,157	37,700	37,850
Iraq	6/ 1,932	1,901	2,400	-	-	6/ 12.2	15.5	16.7	-	-	23,635	29,502	40,000	41,500
Lebanon	6/ 793	52	30	29	28 9/	28 9/	22.4	23.0	26.2	23.0	9/ 1,165	1,165	690	760
Syria	6/ 867	930	930	1,342	1,000 9/	19.4	12.8	14.8	15.4	6.5	9/ 15,386	11,135	13,800	20,670
Turkey	6/ 4,592	4,235	6,022	6,175	6,543	20.9	16.2	27.8	17.9	22.5	96,129	68,675	167,180	6,500
China	6/ 16,000	15,521	-	-	-	6/ 21.7	20.8	-	-	-	6/ 347,000	322,244	-	146,980
Manchuria	6/ 353	250	-	-	-	6/ 18.3	22.2	-	-	-	9/ 6,462	5,550	-	-
India 10/	6/ 5,793	6,900	8,021	8,720	8,000 6/	15.6	15.4	16.8	15.5	16.3	9/ 90,253	106,253	134,500	130,010
Pakistan 10/	6/ 1,886	547	568	613	568 6/	14.5	12.7	9.2	11.9	11.6	9/ 7,047	6,922	5,230	7,280
Japan	1,888	2,137	2,261	2,500	2,460	38.7	26.2	38.4	42.6	40.9	73,113	56,046	86,900	100,500
Korea	2,671	-	-	-	-	18.6	-	-	-	-	49,656	-	-	-
Estimated total 5/	37,860	37,720	42,040	43,100	43,170	-	-	-	-	-	769,000	692,000	866,000	827,000
AFRICA														
Algeria	3,051	2,227	3,067	3,470	3,304	10.9	12.6	10.8	12.2	9.8	33,132	28,120	33,200	42,270
Egypt	276	260	120	127	141	38.8	33.1	39.6	42.0	41.3	10,697	8,605	4,750	5,830
French Morocco	4,448	3,728	4,880	5,179	4,703	12.0	12.7	17.0	18.0	12.2	53,279	47,320	82,950	93,120
Tunisia	1,182	1,257	1,420	1,550	-	7.7	6.3	5.8	5.0	-	9,048	7,901	8,270	7,810
Union of South Africa	6/ 86	103	-	-	-	6/ 18.1	15.7	-	-	-	1,555	1,617	2,200	2,800
Estimated total 5/	10,310	8,980	11,600	12,420	11,190	-	-	-	-	-	121,000	107,000	155,000	175,000
SOUTH AMERICA														
Argentina	1,286	1,693	1,614	1,942	-	17.6	21.0	25.4	26.3	-	22,586	35,576	41,060	51,070
Chile	184	132	117	140	-	27.4	30.5	25.6	30.0	-	5,041	4,030	3,000	4,200
Peru	300	335	470	485	494	18.3	20.0	22.3	22.1	22.0	5,500	6,716	10,500	10,700
Uruguay	44	65	105	118	-	14.8	13.0	17.6	15.4	-	649	846	1,850	1,820
Estimated total 5/	2,140	2,660	2,930	3,300	3,140	-	-	-	-	-	38,000	53,000	66,000	77,000
OCEANIA														
Australia	648	868	1,803	1,531	1,900	18.0	19.4	23.8	16.7	21.1	11,651	16,854	42,990	25,520
New Zealand	24	56	68	42	-	39.7	39.7	51.0	46.9	-	952	2,223	3,470	1,970
Total	672	924	1,871	1,573	1,950	-	-	-	-	-	12,603	19,077	46,460	27,490
Estimated world total 5/	116,370	110,020	122,670	128,730	125,160	-	-	-	-	-	2,362,000	2,165,000	2,810,000	2,830,000

1/ Years shown refer to years of harvest in the Northern Hemisphere. Harvests of Northern Hemisphere countries are combined with those of the Southern Hemisphere which immediately follow: thus, the crop harvested in the Northern Hemisphere in 1955 is combined with preliminary forecasts for the Southern Hemisphere harvests which begin late in 1955 and end early in 1956. 2/ Figures refer to harvested areas as far as possible. 3/ Yield per acre calculated from acreage and production data shown, except for incomplete periods. 4/ Revised estimates for Northern Hemisphere countries; for Southern Hemisphere, preliminary forecasts based largely on acreage and weather conditions to date. 5/ Estimated totals, which in the case of production, are rounded to millions, include allowances for any missing data for countries shown and for other producing countries not shown. 6/ Average of less than 5 years. 7/ Figure for 1953 only. 8/ Comprises Albania, Bulgaria, Czechoslovakia, Eastern Germany, Hungary, Poland and Rumania. 9/ Estimates for Syria and Lebanon not shown separately during this period. 10/ Figures shown during this period are not strictly comparable since figures for 1953-55 include allowances for non-reporting areas, which were not included with earlier figures shown, but were included in estimated total for Asia.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, reports of U.S. Foreign Service officers, results of office research, or other information. Prewar estimates for countries having changed boundaries have been adjusted to conform to present boundaries.

Notes: Acreage, yield per acre, and production in specified countries, year of harvest, averages 1935-39 and 1945-49, annual 1953-55 1/

Continent and country	Acreage 2/			Yield per acre 3/			Production		
	Average			Average			Average		
	1935-39	1945-49	1953	1935-39	1945-49	1953	1935-39	1945-49	1953
	1,000 acres	1,000 acres	1,000 acres	Bushels	Bushels	Bushels	1,000 bushels	1,000 bushels	1,000 bushels
NORTH AMERICA									
Canada 5/	13,246	11,513	9,330	25.5	28.4	41.4	338,071	326,437	406,951
Mexico	29	108	213	16.0	19.9	16.4	465	2,152	3,500
United States	35,761	40,184	39,217	42,291	40,933	30.8	1,045,329	1,376,527	1,209,458
Estimated total 6/	49,040	51,810	49,260	52,680	52,310	-	1,384,000	1,705,000	1,620,000
EUROPE									
Austria	686	534	519	495	41.9	52.9	28,746	17,424	28,800
Belgium	548	396	376	368	74.7	80.3	40,946	37,888	31,800
Denmark	932	822	601	657	75.3	94.3	70,285	67,820	56,700
Finland	1,030	931	1,240	1,260	43.7	37.9	45,000	35,275	66,000
France	8,089	6,110	5,608	5,322	40.7	36.3	329,304	221,821	252,340
Western Germany	3,370	2,892	2,606	2,329	57.7	50.0	171,945	144,500	175,970
Greece	350	312	368	361	24.3	31.3	8,510	6,058	11,520
Ireland	571	819	600	580	68.8	67.5	39,265	48,040	40,500
Italy	1,062	1,138	1,117	1,078	35.9	36.8	38,150	30,513	41,500
Luxembourg	65	54	47	422	71.6	43.9	2,910	2,370	2,740
Netherlands	360	378	353	387	44.8	90.7	25,769	24,125	35,100
Norway	212	195	179	167	61.0	68.9	12,940	11,137	12,340
Portugal	865	914	770	775	12.0	11.8	10,330	8,270	9,100
Spain	1,848	1,566	1,527	1,525	21.3	22.0	39,369	34,590	30,520
Sweden	1,641	1,300	1,203	1,261	53.1	54.1	87,198	58,000	65,100
Switzerland	28	86	74	62	56.9	81.9	1,593	5,568	6,060
United Kingdom	2,430	3,443	2,840	2,588	57.0	59.5	138,628	204,692	197,470
Yugoslavia	893	-	-	-	24.5	69.5	21,900	-	-
Estimated total 6/	24,980	22,960	21,000	20,010	20,070	-	1,135,000	980,000	1,086,000
Other Europe, estimated									
total 2/	11,110	9,290	9,480	9,560	-	-	473,000	313,000	344,000
Estimated total, all Europe 6/	36,090	32,250	30,480	29,560	29,630	-	1,608,000	1,293,000	1,430,000
Estimated total, all Europe 6/	36,090	32,250	30,480	29,560	29,630	-	1,608,000	1,293,000	1,430,000
U.S.S.R. (Europe and Asia)	49,500	35,100	-	-	23.5	20.5	1,165,000	720,000	-

Oats production in Western Europe is estimated at a billion bushels, compared with the prewar average of 1.1 billion bushels. Comparatively high yields have partly compensated for a 20-percent cut in acreage since that period. Largest reductions are reported for France and Germany, with sizable cuts also in Spain and Sweden.

A substantial shift away from feed grains also appears to have taken place in Eastern Europe. The reduction is especially marked for oats, and the production of that crop for 1955 is estimated at 350 million bushels, a fourth less than the prewar average. Production of barley is placed at 210 million bushels, a decline of 17 percent.

Production of these grains in the Soviet Union is indicated to be smaller than in 1954. Some acreage was shifted from barley and oats to corn in the greatly expanded corn program. Although weather conditions were considerably better than last year in many regions that suffered from serious drought in 1954, conditions were adverse in the east and northwestern regions.

In Asia the production of barley is estimated at 840 million bushels, slightly more than the 1954 outturn. The larger harvest in Turkey is the principal factor in the increase. That country's increase of about 37 million bushels is partially offset by moderate declines in the crops of a number of other important producing countries, especially India and Japan.

Production of oats in Asia, as estimated at 111 million bushels, is moderately above average because of the larger harvest in Turkey.

The outturn of these crops in Africa was less than in 1954. The reduction in barley is especially sharp, with the current crop of 125 million bushels 50 million less than in 1954. Reduced acreage and yields in French Morocco and Algeria account for most of the decline. Production of oats, a minor crop in this area, is estimated at 20 million bushels.

Present forecasts of the harvest now winding up in South America indicate that production will be slightly less than in 1954. Production of barley in Argentina is tentatively set at 45 million bushels. This ranking producer of the area has increased barley sharply since the prewar average when only 22.6 million bushels were reported. Peru, the second producer of the area, has also doubled production since that period and now reports about 10.9 million bushels. Production of oats is estimated at 67 million bushels, of which Argentina's crop is 55 million. Though above average, this is somewhat less than the harvests of the past 3 years.

The coarse grain harvest in Australia is a record one with oats considerably larger than the previous record and barley production near record. A barley outturn of 40 million Winchester bushels has been exceeded only once, in 1953-54 when production was 43 million bushels. Both acreage and yields were large. The oats crop is estimated at 65.6 million bushels, compared with the previous record of 53.8 million in 1952-53. Both acreage and yields set new records.

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